

MINUTES
FORT MYERS BEACH
AUDIT COMMITTEE
Town Hall - Council Chambers
2523 Estero Boulevard
Fort Myers Beach, FL 33931

Tuesday, May 13, 2014

I. CALL TO ORDER

Meeting was called to order at 2:00 p.m. by Chair Rodwell. Members present: Dick Cote, Daniel Hughes, Edward Lombard, James Rodwell, and James Steele.

Council Liaison: Rexann Hosafros

Staff present: Lisa Kolar and Evelyn Wicks.

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENT

No public comment.

IV. APPROVAL OF MINUTES of April 14, 2014

Mr. Steele requested the addition of two sentences under Member Items and Reports. After the second sentence in the second paragraph, add Mr. Steele stated that it appears they have been under billed about \$755.00 a month and have been since January of 2010. This matter was brought to the Audit Committee at its March 2013 meeting, its October 2013 meeting, and again today with no resolution.

Chair Rodwell requested that the first sentence under Audit be changed to: Mr. Wicks explained four audit comments made by the auditor in a draft given to the staff.

MOTION: Mr. Steele moved to approve the April 14 minutes as amended; second by Mr. Cote.

VOTE: Motion passed unanimously.

V. CURRENT ITEMS

A. Audited Financials for the Year Ended September 30, 2013

Chair Rodwell remarked that it was a clean, well-written report. Discussion was held regarding contents of the management letter. Ms. Wicks stated that she would correct what could be corrected.

On page 13, under Statement of Net Position, Mr. Steele indicated that the \$2.72 paid per month by each ERC should go in a reserve fund. Mr. Steele questioned Ms. Wick regarding the Town's defined contribution plan (457).

B. Auditor Issues

Ms. Wicks stated that the audit needed to be complete by the end of March due to a loan covenant. Mr. Cote suggested inviting a partner of the auditing firm to an Audit Committee meeting in October. Ms. Wicks stated that she would talk to the audit firm.

C. May 1, 2014 Council Joint Session Workshop

Chair Rodwell reviewed items from the workshop, which included monitoring the audit, reviewing financial statements prior to completion of the audit, reviewing the results of the audit, and evaluate proposed corrective actions.

Chair Rodwell cited items that the Audit Committee could be doing. He stressed the need to complete the water utility policies and procedures, to assist in the selection of a computerized financial accounting system that is fully integrated with the water utility, financing for the Estero Blvd. storm water system, review insurance, salary structure, employee benefits, and review and update the Town's system of internal controls. Chair Rodwell suggested the implementation of a whistle blower policy. Discussion followed concerning the policy and pension plans for employees.

Discussion was held regarding preparation for Council's goal setting workshop on June 9.

Consensus was reached to strike salary structure and insurance from the above five items. Ms. Wicks stated that she would provide the committee with the employee manual section regarding a whistle blower policy. *open communication policy*

D. Water Utility Policies and Procedures

Ms. Wicks reported that she was informed that the policies and procedures should be completed in two weeks.

E. FY14 - March Financial Statements - Unaudited

Ms. Wicks reviewed the financial statements. Mr. Steele noted that capital reserves in the March financial statements reflected the \$2.72 paid by each ERC. Mr. Hughes questioned the current liabilities due to Lee County and the bulk water agreement. Ms. Wicks explained the categories.

VI. MEMBER ITEMS AND REPORTS

No member items.

VII. SET AGENDA FOR NEXT MEETING - June 6, 2014 at 9:00 a.m.

Leave water utility, financial statements, delete auditor issues, and add financing storm water system.

VIII. PUBLIC COMMENT

No public comment.

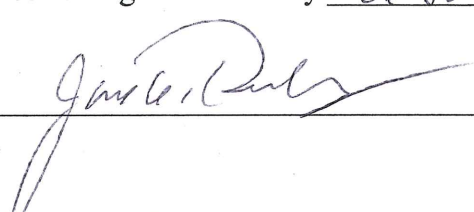
IX. ADJOURNMENT

MOTION: Mr. Lombard moved to adjourn; second by Mr. Cote.

VOTE: Motion passed unanimously.

Meeting adjourned at 3:30 p.m.

Adopted 40 6/6/2014 with/without changes. Motion by Ed Lombard, 2nd by Cote
(DATE)

Vote: 40 Signature: 

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